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RUEHKA/AMEMBASSY DHAKA PRIORITY 0733  
RUEHIL/AMEMBASSY ISLAMABAD PRIORITY 3566  
RUEHLO/AMEMBASSY LONDON PRIORITY 4915  
RUEHNE/AMEMBASSY NEW DELHI PRIORITY 0856  
RUEHCI/AMCONSUL CALCUTTA PRIORITY 3040  
RUCNDT/USMISSION USUN NEW YORK PRIORITY 2354  
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C O N F I D E N T I A L SECTION 01 OF 02 KATHMANDU 000160

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TAGS: [PGOV](#) [PTER](#) [NP](#)

SUBJECT: NEPAL: DEPUTY PRIME MINISTER MAY BE A MAOIST

Classified By: Ambassador James F. Moriarty. Reasons 1.4 (b/d)

Summary

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¶1. (C) Hannes Siebert, a USAID-contracted peace facilitator, informed the Ambassador January 19 that the Maoists had expected to obtain the Speakership of the Interim Parliament and had been surprised when the Seven-Party Alliance (SPA) agreed to give them the Deputy Prime Ministership instead. The Maoists had taken advantage, he said, of internal division within the Communist Party of Nepal - United Marxist Leninist. This created the real risk, Siebert and the Ambassador agreed, that there could be a Maoist Prime Minister -- if precautions were not taken. Siebert indicated that the SPA and the Maoists had still not agreed on the nature of local government. This would be decided by the new Interim Government.

Maoists Expected to Obtain Speakership

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¶2. (C) On January 19, USAID-contracted peace facilitator Hannes Siebert told the Ambassador that the Maoists had expected as late as the morning of January 15, the day the Interim Parliament was stood up, that senior Maoist Dev Gurung, who was one of their 73 Maoist MP-nominees, would become the Speaker of the Interim Parliament. According to Siebert, they were surprised to end up later in the week with an agreement from the Seven-Party Alliance (SPA) to give the Maoists the Deputy Prime Ministership instead. The Communist Party of Nepal - United Marxist Leninist (CPN-UML) had been reluctant to give up the powerful Speaker position which the CPN-UML's Subash Nemwang had held in the prior House of Representatives. Meanwhile, the CPN-UML had been unable to agree internally on who from the party would serve as Deputy Prime Minister in the Interim Government. The Ambassador concurred that Foreign Minister K.P. Oli (CPN-UML), who was one of two Deputy Prime Ministers in the current government, was vulnerable. He had many critics inside his party, including CPN-UML General Secretary M.K. Nepal.

But Who Succeeds Koirala?

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¶3. (C) The Ambassador expressed concern that a decision to

make a Maoist Deputy Prim Minister raised the risk that that there could be a Maoist Prime Minister. Everyone knew Prime Minister G.P. Koirala was not well, and the Interim Constitution provided in Article 38 (10) that, in the event the PM died, the Deputy PM would succeed him. Siebert agreed that this was a serious problem, but from his talks with SPA leaders, they did not appear to be sufficiently focussed on the problem. The Deputy Chief of Mission noted that the PM's nephew Dr. Shehkar Koirala had told him two days before that someone from the Nepali Congress or the Nepali Congress - Democratic would succeed Koirala. Shehkar Koirala, however, had failed to explain how that would happen. The Ambassador noted the importance of the SPA selecting at least one other Deputy Prime Minister from their midst who could take over the top job if something happened to the PM.

#### No Decision Yet on Local Government

14. (C) In response to a question from the Ambassador, Siebert replied that the Government of Nepal and the Maoists had not yet decided how to structure local government. This issue would be decided by the Interim Government. Siebert indicated, however, that the relevant ministries as well as the parties were engaged in discussions on what local government should look like. Local peace councils were also under discussion -- with the Maoists still hesitating. The Ambassador pointed out that the current absence of local government was in the Maoists' interest, because it allowed them to continue their domination of the countryside. Local peace councils could play a useful role, but not if they became a substitute for functioning local government.

#### Comment

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15. (C) Although the Maoists appear to believe they have the agreement of the Seven-Party Alliance to make a Maoist Deputy Prime Minister, we sense a ground swell within the SPA to interpose one of their own as the senior Deputy Prime Minister against making a Maoist PM Koirala's heir apparent. Another option would be to amend the Interim Constitution to make it easier to replace the PM. As currently drafted, death or resignation of the incumbent are practically the only ways a PM can be removed. This is far from ideal given PM Koirala's poor health. The absence of agreement on how to handle local government is another lacuna in the peace agreements to date. Getting local government in place will have to be a priority for the Government of Nepal (current or Interim) if the Constituent Assembly elections are to take place in June as currently scheduled.

MORIARTY